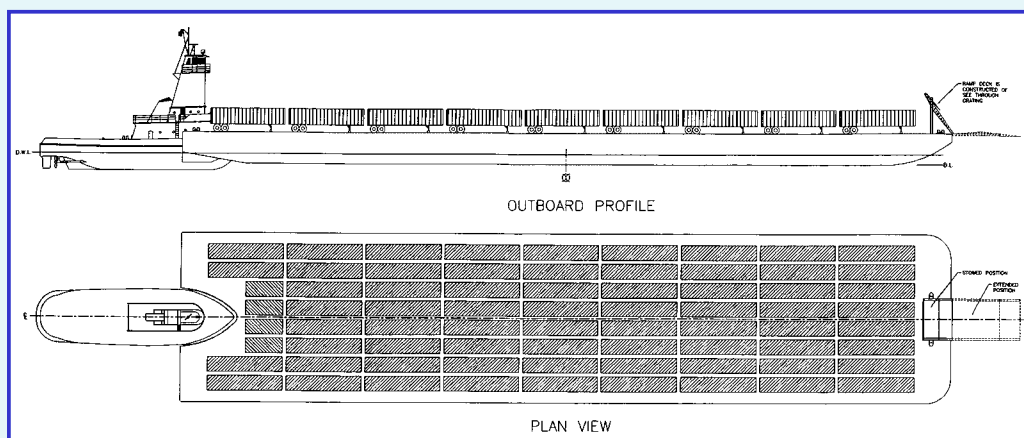


Developing

**A SHORT SEA
CONTAINER SHIPPING
FACILITY & SERVICE
BRIDGEPORT'S
EXPERIENCE**



Greater Bridgeport Regional Planning Agency
Bridgeport • Easton • Fairfield • Monroe • Stratford • Trumbull

May 15, 2003

DEVELOPING A SHORT SEA CONTAINER SHIPPING FACILITY & SERVICE BRIDGEPORT'S EXPERIENCE

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THE GAME: YALE BEATS HARVARD 34-24. D1

CONNECTICUT Post

Sunday

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DEVIL'S

HIGHWAY

Truck drivers fight I-95 traffic while Bridgeport waits for its economic ship to come in.

There's a plan that could change all that, but ...

Will it float?



A man with a pier: James Wang, executive director of the Greater Bridgeport Regional Planning Agency, says the former Car-Tech site could load Bridgeport with commerce and unload congested Interstate 95.

By MARIAN GAIL BROWN mgbrown@ctpost.com

Snarling traffic and clogs lines of tractor-trailers snaking their way along Interstate 95 might disappear — or at least decrease drastically — if a new strategy for transporting cargo takes root.

The proposal for easing 18-wheeler traffic on I-95 hinges on moving goods by container barges in a roll-on, roll-off facility at Bridgeport's Car-Tech property, the Port of New Haven or the State Pier in New London. Studies, commissioned by the state Department of Transportation, are under way of all three cities to determine which offers the best site.

"At this point, there is no more room on [I-95] to handle any more tractor-trailers. There is no way to add any lanes," says James Wang, executive director of the Greater Bridgeport Regional Planning Agency.

► Please see **SOUND** on A8



Waiting to sail in Port Elizabeth, N.J., containers are ready to take a new cruise.

THE RIPPLE EFFECT

How will a container facility affect Interstate 95? Here are the number of trucks that could be removed from the highway by each year:

2002	2020	2040
40,000	70,000	175,000

CONNECTICUT POST

Bridgeport victor in barge race

ALANES • DE CENY
 Right type is available

■ **Bridgeport** — The state's largest port, Bridgeport, has been selected to receive a \$1.5 million federal grant to develop a container barge facility. The grant is part of a larger program to improve the port's infrastructure and increase its capacity to handle international trade.

■ **Transportation** — The state's largest port, Bridgeport, has been selected to receive a \$1.5 million federal grant to develop a container barge facility. The grant is part of a larger program to improve the port's infrastructure and increase its capacity to handle international trade.

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Transport board picks Bridgeport

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BACKGROUND

A GBRPA feasibility study in 2001 determined Bridgeport's proposed facility for shipping containers by barge to and from Bridgeport Harbor and the New York/New Jersey Port would be a cost effective and beneficial alternative to moving containers by trailer truck over I-95 through Fairfield County. The Bridgeport facility, managed and administered by the Bridgeport Port Authority (BPA), would have an estimated start up cost of about \$7 million, including \$906,000 for the first year, \$500,000 for the second year and \$5,600,000 in capital improvements to create a marine terminal. The service may be started within four months after obtaining final approvals and funding. It can be self-supporting within three years.

The project, known as "W-95" (W for water), would reduce traffic congestion and air pollution on Interstate 95 through Fairfield County, Connecticut. The resulting facility would become a freight distribution center for Connecticut and New England. With a lower number of trucks on the already crowded highway, there would be less traffic congestion, accidents, noise, and air pollution.

The facility would also support the development of a variety of warehouses and factories, thereby producing a range of new jobs for Bridgeport. Bridgeport Harbor offers great assets for a container facility having land close to navigable channels, upland sites for related businesses and easy access to highways. But, the success of the overall concept lies in how

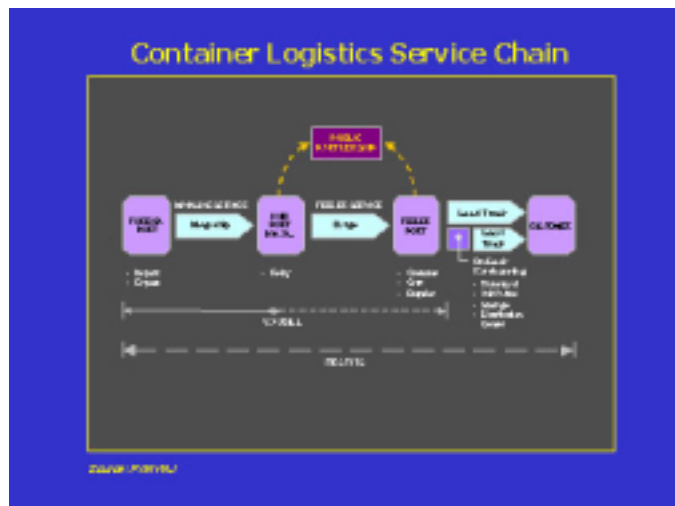


well Bridgeport develops its potential as a port to support maritime and business growth.

Container barge service is not a new idea for New England or Connecticut. It is true private firms have failed in attempts to provide such services during the past 25 years. However, Bridgeport's plan has two important differences from past plans - public participation and capital finance - which will help make it successful. While capital funds would involve one-time expenditures for infrastructure, equipment and barge leasing, public oversight by the Bridgeport Port Authority would provide for the continual and smooth operation of the Bridgeport Harbor facility.

Funding requests and agreements to create the container facility have included an endorsement by the Transportation Strategy Board (TSB), a State transportation policy body, and proposed state legislation to provide the money to create the facility. Also, the GBRPA is working with Bridgeport and

New York/New Jersey Port authorities on an implementation plan. Once funding is awarded, a memorandum of understanding can be drafted among the parties involved for operating the facility and providing shipping services. This memorandum will lead to an agreement between the BPA and New York/New Jersey Port Authority (PANYNJ) and the International Longshoreman's Association for use of the facility. Leading to this agreement and the procuring of state funding, the Bridgeport facility has received endorsements from many related entities, including the Connecticut State Department of Transportation, the Bridgeport Port Authority, the Greater Bridgeport Metropolitan Planning Organization, the New York/New Jersey Port Authority, the New York Metropolitan Transportation Council, the Connecticut Trucks Association and the Logistec Connecticut.



PROJECT PLANNING

Project planning has determined that shipping containers by barge over the 70 miles of water to and from Bridgeport and the New York/New Jersey Port would have the immediate advantage of reducing trailer truck traffic in the highly congested 33-mile stretch of Interstate 95 from Greenwich to Bridgeport. The creation of a Bridgeport container facility would eliminate about 33,000 sea containers currently traveling on tractor trailer trucks from this section of I-95 by its second year of operation. By conservative estimates, the number of trucks removed from the highway could grow to 70,000 by 2020 and 175,000 by 2040. This reduction may seem low in terms of the 1.6 million trucks now traveling north and the 1.27 million traveling south along I-95 annually through the area. Even so, the section of I-95 through Norwalk and Stamford will benefit from a reduction in truck traffic because it is one of the most heavily traveled and highly congested sections of roadway in the nation. It is plagued with accidents, including trailer truck crashes, which cause shutdowns, bottlenecks and delays. Reducing the heavy traffic is in the best interests of the Greater Bridgeport Planning Region and Fairfield County because traffic congestion is a potential impediment to future growth and development. In addition to improving traffic flow, the barge link to Bridgeport would decrease costly I-95 road maintenance and improvements associated with trailer truck use. Even if the barge service is implemented, truck traffic on I-95 to Bridgeport will likely grow in line with the anticipated increase in shipping to the New York/New Jersey Port. The port's goal is to more than double its capacity to handle containers in the near future. That goal will only be realized if various transfer points for the containers shipped there are developed. Bridgeport is envisioned as one of

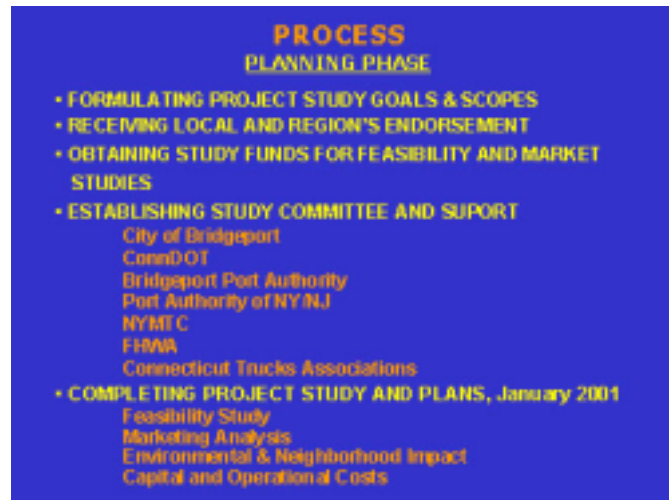


With a diminished number of trucks on the road, air quality is destined to improve. The federal Department of Environmental Protection has cited Fairfield County as an "extreme non attainment area" due to its current inability to meet air quality standards. Therefore, reducing air pollution in the area is important. The elimination of diesel-powered trucks from I-95 will significantly reduce pollution from nitrogen oxides, carbon monoxide and hydrocarbons. This abatement of air pollutants, in the magnitude of tons per year, will improve air quality not only for Connecticut but also for New York and New Jersey. The scope of the container transport study was formulated in July 2000. To pay for performing the study, \$50,000 was obtained in November 2000 from the Federal Highway Administration's Congestion Mitigation and Air Quality Program.



ones. These businesses would be associated with manufacturing, warehousing, shipping and import-export activities. Bridgeport would especially benefit from the creation of these new businesses if it can be the first in Connecticut to develop a container shipping site. The facility directly on Bridgeport Harbor would involve use of Cilco Terminal and 15 acres at the former Carpenter Technology site. The service would stimulate the development of various

businesses along the Seaview Avenue corridor, where about 50 acres for container storage may be set aside in the future. Land may be available along the corridor at the former Remington site, the



PORT INLAND DISTRIBUTION NETWORK (PIDN) - PORT AUTHORITY OF NY/NJ



former Father Panik Village housing project site or the Lake Success Industrial Park for associated business development. The successful creation of such businesses, such as at Lake Success, is contingent upon the eventual improvement of the railroad viaduct at Crescent Avenue that now restricts truck traffic. Workers will also be needed to handle containers at the receiving/shipping facility. They will lighten containers that are too heavy for transport over the highway, by



removing items from them and putting them into trucks. They will also consolidate freight into containers. Truck drivers will be required to move the containers to and from their destinations and Bridgeport. And, an untold number of jobs could be created at service and manufacturing businesses in Bridgeport and its surrounding towns with the support of container shipping. The overall result would be a growth in jobs and prosperity for Bridgeport residents.

OPERATIONAL DESIGN

A barge and tugboat service would move the containers daily from Monday to Friday between the New York/New Jersey Port and Bridgeport. The barge would arrive at the NY/NJ Port by 6 p.m. on weekdays to allow five hours to load and discharge at two terminals. It would depart the port by 11 p.m. and take about eight hours to reach Bridgeport Harbor by 7 a.m. After taking about three hours to discharge containers and load them, the barge would depart Bridgeport by 10 a.m. and arrive back at the NY/NJ Port by 6 p.m. to discharge and reload. A roll-on and roll-off system with truck ramps and a small crane on wheels would be less costly to operate than a large shore crane for handling the containers at Bridgeport. The large crane because of its greater cost to purchase and manpower to operate would make the container facility less competitive with trucking on I-95. According to current estimates, the roll-on and roll-off system including barge service would cost about \$881 per container, compared with \$1,096 for use of a large crane and the barge. The cost for moving the containers along I-95 by trailer truck is \$935, making the barge transport and roll-on and roll-off service more affordable and competitive. A barge and tugboat could be leased initially, while these economic advantages of the new Bridgeport service are proven.

Moving containers by barge to and from Bridgeport, rather than by truck, can also save initially an estimated 5 to 7 percent in shipping costs. The service could produce this cost benefit even if it would require truck links from Bridgeport to nearby cities, such as New Haven, Hartford and Springfield, and other destinations in Connecticut, Massachusetts and Rhode Island.

Use of the Bridgeport container facility would have advantages for businesses, shippers and truckers, despite the many hours to load and unload containers and ship them over water between Bridgeport and the New York/New Jersey Port. The maritime side of the New York/New Jersey Port operates around the clock, but the port's trailer truck gate closes in the late afternoon as the evening rush hour begins. As a result, containers will stay at the port overnight until the next day when they may be placed on trucks. With the development of the Bridgeport container facility, the containers can be brought to Bridgeport overnight by barge and be ready for trucking to their destinations in the morning. Truckers moving these containers will not have to wait in line at New York/ New Jersey Port or travel over the congested 70 miles of roadway from New York City to Bridgeport. Removing these impediments will enable trucking firms to in-

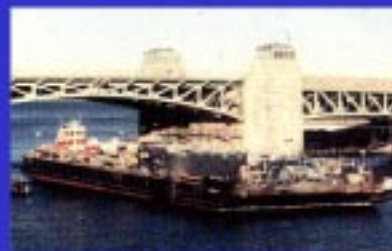
RECOMMENDED ROLL-ON/ROLL-OFF SERVICES

- 5-DAY BARGE SERVICE PER WEEK
- TRUCK RAMPS REQUIREMENTS
- TUG OR BARGE & HANDLING EQUIPMENT
- 60-80 BOXES PER DAY
- 150,000 - 200,000 ANNUAL CONTAINERS EACH DAY

COST PER BOX FOR TRANSIT FROM PANY & NJ TO HARTFORD

	RO/RO	TRUCK	LO/LO
TRUCK	\$250	\$550	\$250
ASSESSMENTS & ROYALTIES	\$85	\$235	\$85
PORT AND TERMINAL	\$120	\$150	\$100
BARGE LOAD/DISCHARGE	\$235	-----	\$413
TUG AND BARGE	\$191	-----	\$188
TOTAL	\$881	\$935	\$1,036

Costs via the barge service to Bridgeport



A Roll-on barge service

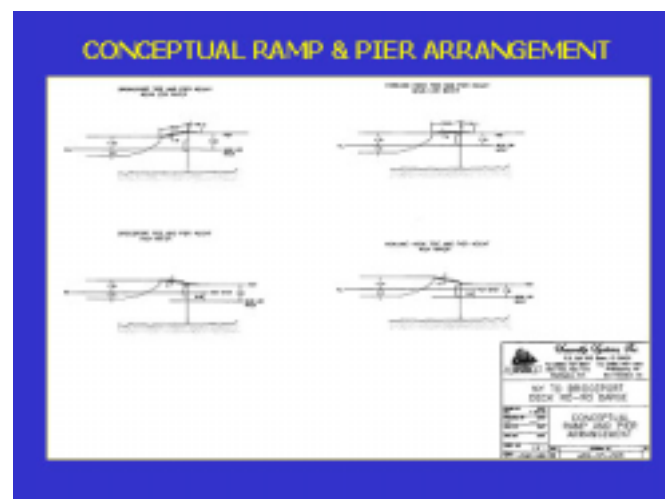
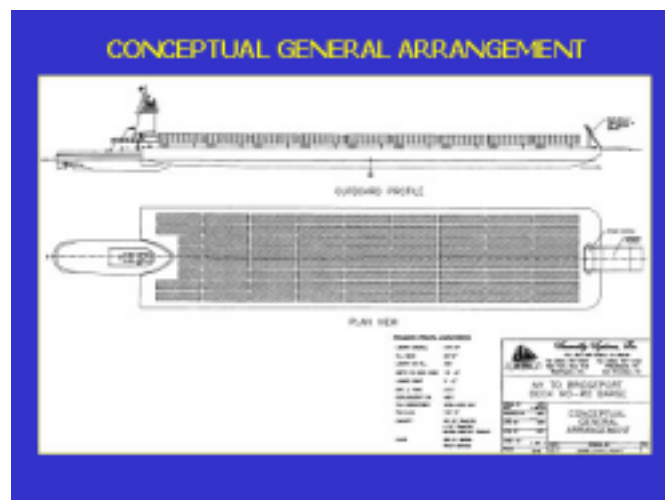


crease efficiency in their use of drivers and trucks and help them cope with the current shortage of drivers. Overall, the Bridgeport container service will allow business customers to better predict when their shipments will arrive so that they can plan their production schedules.

The overall cost of putting the container service into operation is estimated at about \$14 million. But, the \$14 million total can be reduced by \$8.2 million, if a decision is made to lease rather than purchase the barge. The equipment estimate also does not include the cost of a tugboat or towboat for moving the barge, because such a vessel would likely be chartered for this work. Other costs would include \$5.6 million for paving, a sewer pipe extension, lighting, bollards, fenders, a bulkhead and other site and dock improvements. Costs for an office and maintenance building with equipment and tools along with a guard shack are estimated at \$150,000. But, no funds are required for improving access roads in the vicinity, because such work was completed recently as part of the I-95 improvements to the Interchange 29 connection with Stratford and Seaview avenues.

Bridgeport's container service may be started almost immediately because the

CAPITAL REQUIREMENTS	
<u>DOCK/STORAGE FACILITY</u>	\$4,013,420
Bulkhead	
Fendering	
Bollards	
Paving	
Lights	
Fence	
Parking Barrier	
Fuel & Waste Oil Tanks	
Sewer Pipe Ext.	
Dredging	
<u>BUILDINGS/OFFICE & MAINTENANCE</u>	\$150,000
Office Space, Equipment	
Maintenance Buildings & Tools	
Guard Shack	
Safety Items	
<u>CONTAINER HANDLING EQUIPMENT</u>	\$1,500,000
Yard Tractors	
Container Handlers	
Container Chassis	
Ramp	
TOTAL	\$5,663,420



PROJECTED CASH FLOW – BRIDGEPORT RO/RO FEEDER SERVICE

	Year One	Year Two	Year Three
Annual Expected Gross Revenue for Trucking Container Service	\$7,726,000	\$12,467,000	\$13,485,000
Total # of Boxes	10,643	16,512	17,172
Annual Expenses for RO/RO Feeder Service	\$8,401,925	\$12,063,725	\$12,545,794
• Tug and Barge for 5 days per week operation	\$2,600,000	\$2,704,000	\$2,812,200
• Load/Discharge - Bridgeport	\$1,065,000	\$1,718,000	\$1,786,000
• Load/Discharge - New York	\$1,597,000	\$2,576,000	\$2,679,000
• Drayage (Two Years)	\$2,661,000	\$4,293,000	\$4,465,000
• Gate Fees	\$372,500	\$601,000	\$625,000
• Box Fee in Bpt (BPA)	\$106,425	\$171,725	\$178,594
Net Difference Between Trucking vs RO/RO (1)	(\$675,925)	\$403,275	\$939,206
Startup Costs (EIS, Permits, Ramp)(2)	(\$500,000)	(\$500,000)	0
Subsidy from PANY/NJ (3) (\$25 per Box)	\$266,063	\$412,800	0
Capital & Site Improvements	0	0	\$5,600,000
Public Assistance Needs (1)+(2)=(4)	\$1,175,925	\$500,000	\$5,600,000

city's current port facilities are underutilized. However, final plans for the container facility should be completed before the service is initiated. Thus, as interest grows in the use of shipping containers by barge to Bridgeport, the permanent site may be prepared for it. The site for the facility should initially have 15 contiguous acres adjacent to a navigable channel, but it ideally should have 20 to 25 acres at the ship's side to provide for future growth.

PROJECT COOPERATION AND IMPLEMENTATION PROCESS

The New York/New Jersey Port Authority has not only supported the Bridgeport service plan but it has also been looking for ports in other neighboring states to alleviate growing congestions at its container facilities. Bridgeport is regarded as a primary transfer point for shippers moving containers to various New England cities. The authority has considered offering Bridgeport a subsidy of \$25 per container for two years as an economic stimulus to encourage use of the new service by shippers during its first months of operation. But, once this service proves itself, such an inducement will not likely be needed.

Aside from offering an excellent harbor site for container shipping, Bridgeport, compared with New Haven, is strategically located on or near several major highways truckers may use for moving containers or goods in them to final destinations. The container terminal site on Seaview Avenue is two-tenths of a mile from exit 29 of I-95. By traveling 17 miles east along I-95 to New Haven, truckers will reach I-91, which they may take north to Meriden, Hartford and Springfield. They can also take Route 25-8 north from Bridgeport. Route 8 will lead them to Shelton, Ansonia, Seymour, Naugatuck, Waterbury, Torrington and Winsted. Route 8 will also link them to I-84, an alternative route to the Meriden, Hartford and Springfield regions. The ability to use Route 8 and I-84 as an alternate to I-91 is important because traffic tie ups will result from the 8 to 10 year project in the works to reconstruct the I-95 and I-91 interchange and the "Q" bridge on I-95 in New Haven. By traveling west on I-95 to Norwalk, truckers can reach Route 7 north to link them to the Danbury and Brewster, N.Y., regions. Driving east on I-95 will bring them to New London, Providence and Boston, or they may take I-395 north to Norwich and Worcester. Bridgeport, therefore, provides an advantage as a container port location by being centrally located to several alternative routes for reaching major New England cities.

The Coastal Corridor Transportation Investment Area (TIA) selected the Bridgeport container feeder port project as one of the five top priority projects of the state's largest TIA. The Connecticut Chapter of the American Planning Association awarded its 2001 Outstanding Regional Planning Program Award for 2001 to the GBRPA for the proposed

IMPLEMENTATION PHASE

- PUBLIC INVOLVEMENT
 - Local Regulatory Agency
 - State Law and Requirements
 - FHWA
- FUNDING
 - State Legislature
 - FHWA
- OPERATING PLAN
 - Operators
 - Port Authorities
 - Facility Improvement
 - Capital Cost
 - Operating Cost and Subsidy
 - Labor/Union
 - Environmental Impact Documentation
 - Environmental Permits

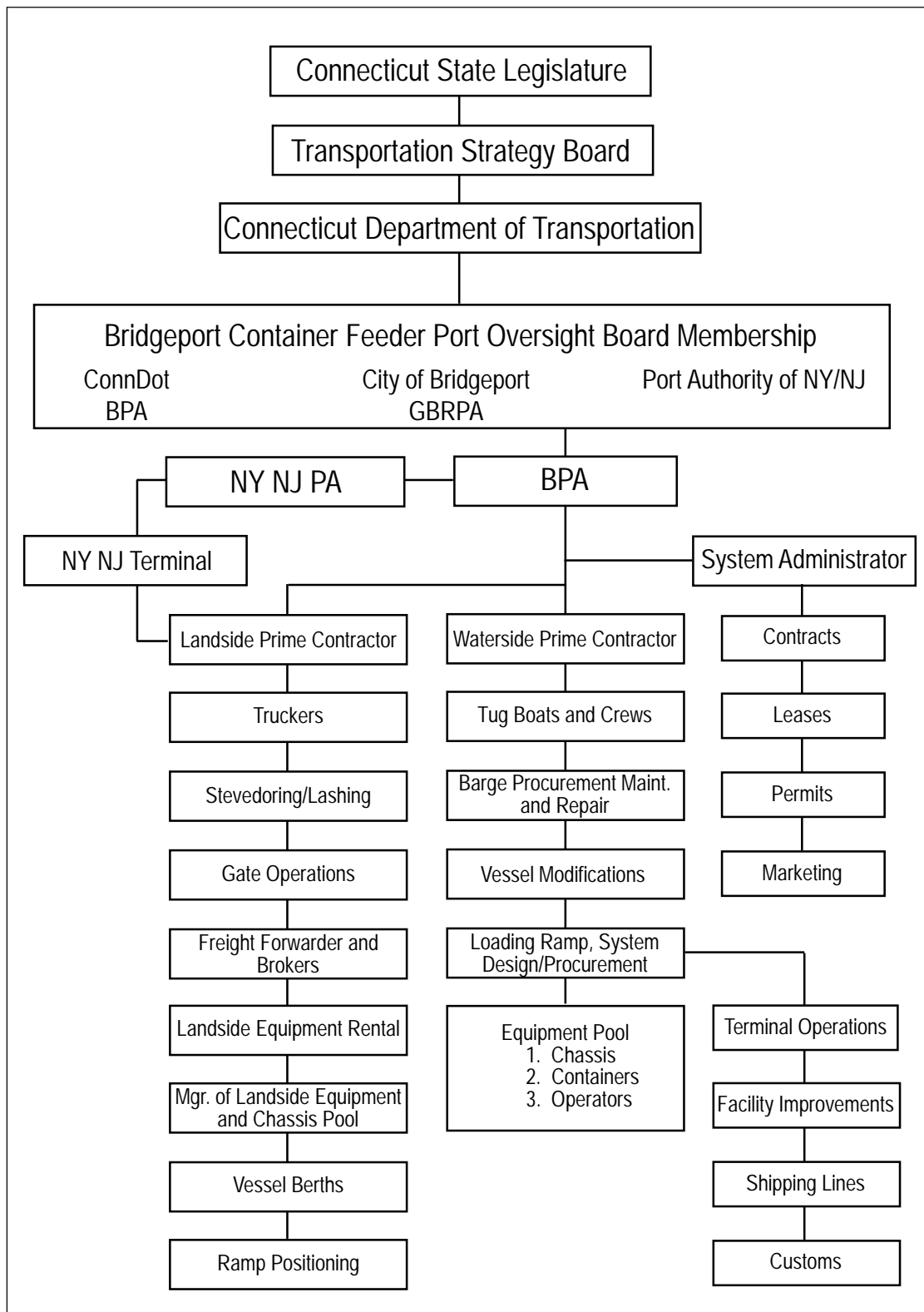
project. Support for the project has also arisen in articles and editorials in the Connecticut Post, Stamford Advocate and Norwalk Hour newspapers.

The initiated plan evolved based on a report prepared for the GBRPA by Management & Transportation Associates Inc., of Essex, Conn., entitled "Economic Viability of a Waterborne Feeder Service for Bridgeport Harbor," issued Dec. 15, 2000. It also resulted from interviews with trucking companies, barge and tugboat operators, shippers, freight forwarders, the International Longshoreman's Association, terminal operators in the New York/New Jersey Port, the Port Authority of New York and New Jersey, the Bridgeport Port Authority, the Connecticut Department of Transportation, Coastline Terminals of Connecticut and Logistec Connecticut, operator of Bridgeport's Cilco Terminal.

The issue of port security in the wake of the Sept. 11, 2001, terrorist attacks still needs to be worked out. There has been heightened interest in improving security in regional, state and national transportation infrastructure, particularly in the area of ports, with respect to potential terrorist activity. New legislation may impose stricter security measures at ports, terminals, border crossings and freight facilities nationwide. These measures may have an impact on the flow of goods at container handling facilities and along I-95. How to strike a balance between freight security and the efficient movement of goods may become a major issue for marine ports in New York City and related regions along I-95.

Under the GBRPA final operational plan, the Bridgeport Port Authority (BPA) would be the lead public entity to manage state and federal funding for implementation of the container service, enter into contracts and monitor the operation. The BPA would be responsible for contracts on the landside involving the rental of yard equipment provided to the terminal operator and the lease of land for container storage. The authority would be the liaison for the PANY/NJ and terminal operators in New York and New Jersey. It would also monitor container movements and report on the overall operation to an oversight board for container service. A management firm would be retained to assist BPA with administration, marketing, and booking space. Meanwhile, the barge operator would handle waterside operations including crews, fuel and barge maintenance.

The PANY/NJ functions as a landlord port. As such, it has an impact on marketing, scheduling and legislation affecting the port's inland distribution network. But, it does not have a say regarding how or by whom the cargo moves or any contact with barges operating outside its boundaries. In its interface with the PANY/NJ, the BPA would make sure the barge operator is provided with funds to carry out its schedule. Terminal operators and trucking firms have variable expenses



depending on the cargo flow, while barge operators have fixed expenses, as a constant part of the operation. The BPA would assume a position between the revenue and expense side of the operation. Shippers and freight forwarders would contact BPA to book space for cargo. The BPA would then schedule the barge to visit the various terminals to pick up or drop off containers. Terminals at PANYNJ would likely bill the shippers for loading and unloading containers at their facilities. But, the BPA would post tariffs for fares from PANY/NJ to Bridgeport or various New England destinations. The billing would initially be handled by the BPA, but it would be turned over to a private firm once public funding is no longer required. The overall intent is to establish rates that are 10 to 20 percent less than trucking over I-95 from PANY/NJ to Connecticut destinations and 10 to 15 percent less to destinations outside Connecticut.

PROJECT STAGES

Work on the plan, coordinated by the GBRPA, went through the following stages from 1999 through 2003:

- **1999** The Port Authority of New York/New Jersey (PANY/NJ) announced it wanted to establish a "Port Inland Distribution Network" (PIDN) to alleviate congestion at its facility. It invited the GBRPA as a metropolitan planning organization through the New York Metropolitan Transportation Council (NYMTC) to be part of the proposed network.
- **3/2000** The GBRPA conducted a conference in Bridgeport, with the NYMTC, the PANY/NJ, the New York Economic Development Corp. (NYEDC) and the Bridgeport Port Authority (BPA), and endorsed the PIDN concept. Bridgeport Harbor was identified as a feeder port for the proposed network.
- **5/2000** The GBRPA developed a position paper outlining the benefits for a container barge feeder port service in the Bridgeport Region and Connecticut. It met with state Department of Transportation (DOT) Commissioner James Sullivan to request funding for a feasibility and marketing study for the service. Sullivan subsequently authorized \$150,000 from the CMAQ program for planning studies. GBRPA received \$100,000 for feasibility studies for Bridgeport and New London, while SCCOG was given \$50,000 for a New Haven study.
- **7/2000** GBRPA and SCCOG began work with consultants to produce feasibility and marketing studies for Bridgeport, New Haven and New London.

- **11/2000** GBRPA and BPA signed a memorandum of understanding with the PANY/NJ concerning creation of a feeder barge service.
- **12/2000** GBRPA completed its feasibility and marketing studies and submitted them to the DOT.
- **3/2001** The DOT staff prepared a summary report, "Container Barge Service Study: Bridgeport, New Haven, New London and Norwich," based on studies submitted by GBRPA and SCCOG.
- **11/2001** After the DOT reviewed the feasibility studies, it asked GBRPA to submit operating plans for the projects in their regions. They were completed and forwarded to the Transportation Strategy Board for review and a decision. The GBRPA also responded to a 47-question inquiry from the DOT about their proposed projects, concerning administration, implementation schedule, service characteristics, capital and operating costs, funding sources and impacts.
- **1/2002** Based on TSB recommendations, a total of \$50 million for implementing the projects was included in Section 16 of the enabling legislative Public Act 01-5. The projects subsequently received an appropriation of \$47 million. But, this amount was reduced to \$32 million, with an authorization to bond \$12 million more, due to changes in the state budget.
- **3/2002** The TSB received the reports from both the Bridgeport and New Haven regions and referred them for review and recommendations to its Working Group on Movement of Goods. The group then requested more details on strategic policy, benefits, and the value of publicly subsidizing the proposed services.
- **4/2002** The TSB Board reviewed the Bridgeport project and considered a presentation on it from the GBRPA in a public meeting.
- **6/2002** The first PIDN Regional Feeder Ports Conference was held in New York. Participants represented the Port of Davisville, R.I.; the port of Wilmington, DE; the Port of Albany, N.Y.; South Jersey Port Corp.; the Port of Pittsburgh; and the Port of Bridgeport, CT. They discussed the progress of PIDN, feeder port development roles and responsibilities, the need for a coordinated strategy for securing public funding and local concerns. GBRPA raised the following issues:

1. The benefits from a possible \$25 per container subsidy from PANY/NJ for the initial two year start up period
 2. A request for an administrative change by the Customs Service to eliminate collection of Harbor Maintenance Tax (HMT)
- **9/2002** The Connecticut Waterborne Freight System Strategy report was endorsed by the TSB Working Group on Movement of Goods with minor changes to include New London in the state's container barge feeder port service plan. However, the group did not make any recommendations to the TSB on project implementation.
 - **11/2002** The TSB endorsed a consultant's proposed "Vision Statement - Deepwater Ports" without providing project implementation and strategy guidelines for Bridgeport and New Haven. A TSB subcommittee was set up to evaluate the feeder barge proposals from Bridgeport and New Haven. It was slated to report its findings to the TSB in April 2003.
 - **4/2003** TSB's Feeder Barge Task Force submitted its recommendations and the process and procedures for reaching its conclusion. TSB members discussed the report and directed the ConnDOT and the Department of Economic and Community Development (DECD) to perform due diligence examination with both proposals and report back to the TSB at a next TSB meeting on its findings.
 - **5/2003** The TSB voted 14 to 0 to grant Bridgeport \$1.5 million in state funds for the first two years of operation, pending contract negotiations with the DECD and ConnDOT. An additional \$5.5 million may be appropriated for capital improvements in the third year after state examination.

POLICY AND FUNDING RECOMENDATIONS TO THE MTSNAC

GBRPA Executive Director James T. Wang participated May 12 & 13, 2003 meeting of the Secretary of Transportation's Marine Transportation System National Advisory Council (MTSNAC) and submitted the following recommendations concerning national maritime policy and TEA-21 funding changes to the Council and Capitan William Schubert, Administrator of Maritime Administration:

"As one of the smallest U.S. states, Connecticut relies upon resources from other states by freight. Through Connecticut, I-95 is the most congested highway from New York to New England. In my Region alone, 17,000 trucks and 140,000 additional vehicles travel on I-95 daily. In response to the high volume of traffic, the Region's MPO proposed container barge service between the ports of New York and New Jersey and the port of Bridgeport. The intent is to remove 41,600 of trailer trucks and cargo annually from the highway to the water, namely, Long Island Sound. Additionally, air quality conditions could be improved.

Container barge service is not a new idea to this country. In the past twenty years, operators in the private sectors of the coastal New England States, including Connecticut, have tried but failed to implement such service. GBRPA's concept differs by involving the public sector's participation and capital finance. Public assistance would be limited to one time capital funds allocated, for example, for infrastructure improvements, barge ramps, and necessary equipment purchases for the startup period, with public oversight requirements.

Based on "Port Inland Distribution Network" (PIDN) concept, the port of Bridgeport is one of eight ports that was developed by the PANY/NJ for the designated Containerized Trade Market Area. The service, by shipping containers via barge across Long Island Sound, would reduce trailer traffic and related traffic jams, accidents, and air pollution on I-95. Container shipping would also bring Bridgeport and the Region new jobs associated with trucking, warehousing and freight handling. As such, industries and businesses supported by container traffic would have incentive to relocate to Bridgeport and the Region as it becomes part of the national and world-wide container-based network.

As many states and metropolitan areas commit a large portion of their budgets to the maintenance and preservation of their current highway systems, there are often limited resources for freight-specific improvement projects, particularly port-related improvements. Highway-related freight improvement projects are usually eligible for funding under federal and state highway programs, but multimodal and intermodal projects must often be shoehorned into air-quality

mitigation (e.g., CMAQ), or safety programs (e.g., highway-rail grade-crossing separation programs). On-dock rail improvements are usually not eligible for public support except indirectly through loan credit-support programs. Despite the obvious link to economic development and jobs, some states and MPOs find it difficult to justify spending money on non-highway projects, projects that are perceived to inordinately benefit the private sector freight community, or projects with local costs, but with regional and national benefits.

However, Bridgeport project as an example, Bridgeport service will be managed and administered by BPA. Based on the proposed operating plan, BPA would require \$1,175,925 for the first year and \$500,000 for the second year for installation of ramps, leasing a barge, obtaining necessary equipment and permits/EA requirements. If the first two years of the startup service meet Federal-funding agencies' evaluations, it will receive \$5.6 million for full capital equipment and improvements during the third year. This estimated \$7 million water freight transportation project equals the project costs to reconstruct 4 miles of a two-lane highway project or a 400-ft. two-lane bridge, or buy only two rail cars for commuter service.

Thus, Bridgeport's proposal indicates that federal transportation funds should be considered as high priority funds under FHWA-CMAQ, Ferryboat Demonstration Program, even STP program. Additionally, the flexible funding categories of FTA-Section 5307 or 5309 should be transferred from FHWA and FTA to FMA for water freight transportation implementation. This policy change should comply with TIP process and federal funding requirements. Moreover, states should encourage the allocation of at least 15-20% of their CMAQ funds to MPOs in the Severe Non-attainment Area annually. This funding should be used to develop and implement MPOs' freight strategy/project for the congestion and air quality improvements. This proposed modification would not only benefit Bridgeport's project, but also provide a new avenue for U.S. DOT and become public sector leader of this country for water freight transportation thereby stimulating such services from the private sector".

Editorials and supports per your request